

**Ma San Group Corporation  
and its subsidiaries**

Quarterly Financial Statements for the  
nine-month period ended 30 September 2013

**Ma San Group Corporation**  
**Corporate Information**

**Business Registration Certificate No**

0303576603

13 June 2013

The Company's Business Registration Certificate has been amended several times, the most recent of which is dated 13 June 2013. The Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City. The initial Business Registration Certificate No. 4103002877 was dated 18 November 2004.

**Board of Management**

Dr Nguyen Dang Quang	Chairman
Mr Ho Hung Anh	Vice chairman
Mr Madhur Maini	Member
Ms Nguyen Hoang Yen	Member
Mr Nguyen Thieu Nam	Member
Mr Lars Kjaer	Member

**Registered Office**

Suite 802, Central Plaza  
17 Le Duan Street  
Ben Nghe Ward, District 1  
Ho Chi Minh City  
Vietnam

**Ma San Group Corporation and its subsidiaries**  
**Balance sheets at 30 September 2013**

**Form B 01 – DN**

	Code	Note	<u>Group</u>		<u>Company</u>	
			30/9/2013	31/12/2012	30/9/2013	31/12/2012
			VND million	VND million	VND million	VND million
<b>ASSETS</b>						
<b>Current assets</b>						
<b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>9,932,804</b>	<b>9,221,223</b>	<b>4,336,142</b>	<b>2,643,573</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>3</b>	<b>6,115,293</b>	<b>5,718,717</b>	<b>2,405,364</b>	<b>2,160,026</b>
Cash	111		348,385	151,205	30,182	9,484
Cash equivalents	112		5,766,908	5,567,512	2,375,182	2,150,542
<b>Short-term investments</b>	<b>120</b>	<b>9</b>	<b>1,335,000</b>	<b>1,840,500</b>	<b>-</b>	<b>68,000</b>
<b>Accounts receivable</b>	<b>130</b>	<b>4</b>	<b>1,037,624</b>	<b>942,881</b>	<b>1,837,694</b>	<b>376,179</b>
Accounts receivable - trade	131		230,879	121,300	-	-
Prepayments to suppliers	132		511,154	475,436	212,293	117,773
Other receivables	135		296,526	346,523	1,625,401	258,406
Allowance for doubtful debts	139		(935)	(378)	-	-
<b>Inventories</b>	<b>140</b>	<b>5</b>	<b>1,218,101</b>	<b>563,855</b>	<b>-</b>	<b>-</b>
Inventories	141		1,231,157	575,846	-	-
Allowance for inventories	149		(13,056)	(11,991)	-	-
<b>Other current assets</b>	<b>150</b>		<b>226,786</b>	<b>155,270</b>	<b>93,084</b>	<b>39,368</b>
Short-term prepayments	151		43,291	27,492	3,686	496
Deductible value added tax	152		128,433	105,858	41,125	30,243
Other current assets	158		55,062	21,920	48,273	8,629

*The accompanying notes are an integral part of these quarterly financial statements*

**Ma San Group Corporation and its subsidiaries**  
**Balance sheets at 30 September 2013 (continued)**

**Form B 01 – DN**

	Code	Note	<u>Group</u>		<u>Company</u>	
			30/9/2013	31/12/2012	30/9/2013	31/12/2012
			VND million	VND million	VND million	VND million
<b>Long-term assets</b>						
<b>(200 = 210 + 220 + 250 + 260)</b>	<b>200</b>		<b>34,064,192</b>	<b>29,478,033</b>	<b>25,084,152</b>	<b>23,197,560</b>
<b>Accounts receivable –</b>						
<b>long-term</b>	<b>210</b>	<b>4</b>	<b>401,764</b>	<b>23,158</b>	<b>1,627,293</b>	<b>1,658,406</b>
Other receivables	218		401,764	23,158	1,627,293	1,658,406
<b>Fixed assets</b>	<b>220</b>		<b>21,868,364</b>	<b>17,728,751</b>	<b>83,130</b>	<b>84,437</b>
Tangible fixed assets	221	6	1,749,196	1,547,311	72,869	11,707
Cost	222		2,405,793	2,040,428	92,565	17,698
Accumulated depreciation	223		(656,597)	(493,117)	(19,696)	(5,991)
Intangible fixed assets	227	7	1,030,252	863,516	2,855	1,102
Cost	228		1,302,568	1,028,783	3,790	1,566
Accumulated amortisation	229		(272,316)	(165,267)	(935)	(464)
Construction in progress	230	8	19,088,916	15,317,924	7,406	71,628
<b>Long-term investments</b>	<b>250</b>	<b>9</b>	<b>10,819,198</b>	<b>11,313,619</b>	<b>23,304,462</b>	<b>21,423,058</b>
Investments in subsidiaries	251		-	-	14,372,038	12,490,634
Investments in an associate	252		10,815,598	10,948,119	8,932,424	8,932,424
Other long-term investments	258		3,600	365,500	-	-
<b>Other long-term assets</b>	<b>260</b>		<b>974,866</b>	<b>412,505</b>	<b>69,267</b>	<b>31,659</b>
Long-term prepayments	261	10	399,337	97,060	58,954	21,346
Deferred tax assets	262	11	89,545	36,035	-	-
Other long-term assets	268		35,841	30,778	10,313	10,313
Goodwill	269	12	450,143	248,632	-	-
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>43,996,996</b>	<b>38,699,256</b>	<b>29,420,294</b>	<b>25,841,133</b>

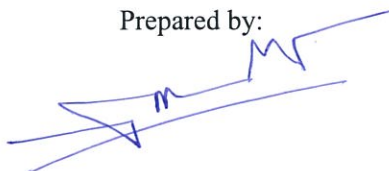
*The accompanying notes are an integral part of these quarterly financial statements*

**Ma San Group Corporation and its subsidiaries**  
**Balance sheets at 30 September 2013 (continued)**

**Form B 01 – DN**

	Code	Note	<u>Group</u>		<u>Company</u>	
			30/9/2013	31/12/2012	30/9/2013	31/12/2012
			VND million	VND million	VND million	VND million
<b>RESOURCES</b>						
<b>LIABILITIES</b>						
<b>(300 = 310 + 330)</b>	<b>300</b>		<b>22,303,796</b>	<b>18,994,871</b>	<b>16,504,709</b>	<b>10,020,279</b>
<b>Current liabilities</b>	<b>310</b>		<b>7,172,597</b>	<b>4,748,364</b>	<b>3,247,895</b>	<b>473,329</b>
Short-term borrowings and liabilities	311	13	4,413,398	1,793,384	2,311,300	-
Accounts payable – trade	312		1,112,277	973,856	138	1,854
Advances from customers	313		12,653	14,490	-	-
Taxes payable to State Treasury	314	14	475,105	608,893	200	-
Payables to employees	315		57,768	12,480	-	-
Accrued expenses	316	15	1,011,549	1,300,931	165,356	471,475
Other payables	319	16	89,847	44,330	770,901	-
<b>Long-term borrowings and liabilities</b>	<b>330</b>		<b>15,131,199</b>	<b>14,246,507</b>	<b>13,256,814</b>	<b>9,546,950</b>
Other long-term liabilities	333	16	232,488	737,832	1,581,592	2,170,428
Long-term borrowings and liabilities	334	17	13,994,397	12,647,177	11,675,222	7,376,522
Deferred tax liabilities	335	11	902,933	860,117	-	-
Provision for severance allowance	336	18	1,381	1,381	-	-
<b>EQUITY (400=410)</b>	<b>400</b>		<b>12,630,761</b>	<b>13,883,837</b>	<b>12,915,585</b>	<b>15,820,854</b>
<b>Owners' equity</b>	<b>410</b>	<b>19</b>	<b>12,630,761</b>	<b>13,883,837</b>	<b>12,915,585</b>	<b>15,820,854</b>
Share capital	411	20	7,051,409	6,872,801	7,051,409	6,872,801
Capital surplus	412	20	7,999,167	7,999,167	7,999,167	7,999,167
Other capital	413	21	97,703	1,721,824	97,703	1,721,824
Foreign exchange differences	416		(42,709)	(16,128)	-	-
Other reserves	418		(8,635,642)	(8,619,479)	(1,586,675)	(530,235)
Retained profits	420		6,160,833	5,925,652	(646,019)	(242,703)
<b>MINORITY INTERESTS</b>	<b>439</b>		<b>9,062,439</b>	<b>5,820,548</b>	<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>43,996,996</b>	<b>38,699,256</b>	<b>29,420,294</b>	<b>25,841,133</b>
<b>(440 = 300 + 400 + 439)</b>						

Prepared by:



Doan Thi My Duyen  
Chief Accountant

Approved by:



Nguyen Dang Quang  
Chairman

*The accompanying notes are an integral part of these quarterly financial statements*

**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the nine-month period ended 30 September 2013**

**Form B 02 – DN**

**Group**

	Code	Note	From 1/7/2013 to 30/9/2013 VND million	From 1/7/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
<b>Total revenue</b>	<b>01</b>	<b>22</b>	<b>3,274,033</b>	<b>2,701,124</b>	<b>7,628,973</b>	<b>6,865,258</b>
<b>Less sales deductions</b>	<b>02</b>	<b>22</b>	<b>39,019</b>	<b>27,995</b>	<b>123,880</b>	<b>130,254</b>
<b>Net sales (10 = 01 – 02)</b>	<b>10</b>	<b>22</b>	<b>3,235,014</b>	<b>2,673,129</b>	<b>7,505,093</b>	<b>6,735,004</b>
<b>Cost of sales</b>	<b>11</b>	<b>23</b>	<b>1,840,616</b>	<b>1,588,558</b>	<b>4,492,075</b>	<b>4,053,262</b>
<b>Gross profit (20 = 10 – 11)</b>	<b>20</b>		<b>1,394,398</b>	<b>1,084,571</b>	<b>3,013,018</b>	<b>2,681,742</b>
Financial income	21	24	92,349	128,542	319,466	684,680
Financial expenses	22	25	121,927	80,463	278,848	251,827
Selling expenses	24		591,193	376,479	1,323,238	903,038
General and administration expenses	25		216,852	198,489	609,320	505,487
<b>Net operating profit {30 = 20 + (21 - 22) - (24 + 25)}</b>	<b>30</b>		<b>556,775</b>	<b>557,682</b>	<b>1,121,078</b>	<b>1,706,070</b>
Other income	31	26	23,471	83,750	147,146	183,973
Other expenses	32	27	25,428	16,002	59,173	28,091
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>(1,957)</b>	<b>67,748</b>	<b>87,973</b>	<b>155,882</b>
<b>Share of (loss)/profit in associates</b>	<b>41</b>	<b>28</b>	<b>(62,097)</b>	<b>(5,539)</b>	<b>(135,050)</b>	<b>82,502</b>
<b>Profit before tax (50 = 30 + 40 + 41)</b>	<b>50</b>		<b>492,721</b>	<b>619,891</b>	<b>1,074,001</b>	<b>1,944,454</b>
<b>Income tax expense – current</b>	<b>51</b>		<b>229,735</b>	<b>100,888</b>	<b>526,032</b>	<b>271,527</b>
<b>Income tax (benefit)/expense– deferred</b>	<b>52</b>		<b>(45,675)</b>	<b>38,010</b>	<b>(62,178)</b>	<b>68,208</b>
<b>Net profit (60 = 50 - 51 - 52) (carried forward to next page)</b>	<b>60</b>		<b>308,661</b>	<b>480,993</b>	<b>610,147</b>	<b>1,604,719</b>

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**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the nine-month period ended 30 September 2013 (continued)**

**Form B 02 – DN**

**Group**

	Code	Note	From 1/7/2013 to 30/9/2013 VND million	From 1/7/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
<b>Net profit (60 = 50 - 51 - 52)</b> (brought forward from previous page)	<b>60</b>		<b>308,661</b>	<b>480,993</b>	<b>610,147</b>	<b>1,604,719</b>
<b>Attributable to:</b>						
Minority interests	61		194,013	164,194	359,022	438,687
Equity holders of the Company	62		114,648	316,799	251,125	1,166,032
<b>Earnings per share</b>						
Basic earnings per share in VND	70	29	161	453	353	1,668

Prepared by:



Doan Thi My Duyen  
Chief Accountant

Approved by:



Nguyen Dang Quang  
Chairman

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**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the nine-month period ended 30 September 2013 (continued)**

**Group**

	Code	Proforma <sup>(1)</sup>			
		From 1/7/2013 to 30/9/2013 VND million	From 1/7/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
<b>Total revenue</b>	<b>02</b>	<b>3,274,033</b>	<b>2,701,124</b>	<b>7,628,973</b>	<b>6,865,258</b>
<b>Less sales deductions</b>	<b>02</b>	<b>39,019</b>	<b>27,995</b>	<b>123,880</b>	<b>130,254</b>
<b>Net sales (10 = 01 – 02)</b>	<b>10</b>	<b>3,235,014</b>	<b>2,673,129</b>	<b>7,505,093</b>	<b>6,735,004</b>
<b>Cost of sales</b>	<b>11</b>	<b>1,840,616</b>	<b>1,588,558</b>	<b>4,492,075</b>	<b>4,053,262</b>
<b>Gross profit (20 = 10 – 11)</b>	<b>20</b>	<b>1,394,398</b>	<b>1,084,571</b>	<b>3,013,018</b>	<b>2,681,742</b>
Financial income	21	92,349	128,542	319,466	684,680
Financial expenses	22	121,927	80,463	278,848	251,827
Selling expenses	24	591,193	376,479	1,323,238	903,038
General and administration expenses	25	165,000	156,529	461,413	379,608
<b>Net operating profit {30 = 20 + (21 - 22) - (24 + 25)}</b>	<b>30</b>	<b>608,627</b>	<b>599,642</b>	<b>1,268,985</b>	<b>1,831,949</b>
Other income	31	23,471	83,750	147,146	183,973
Other expenses	32	25,428	16,002	59,173	28,091
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>	<b>(1,957)</b>	<b>67,748</b>	<b>87,973</b>	<b>155,882</b>
<b>Share of profit in associates</b>	<b>41</b>	<b>103,730</b>	<b>137,764</b>	<b>367,167</b>	<b>511,858</b>
<b>Profit before tax (50 = 30 + 40 + 41)</b>	<b>50</b>	<b>710,400</b>	<b>805,154</b>	<b>1,724,125</b>	<b>2,499,689</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>229,735</b>	<b>100,888</b>	<b>526,032</b>	<b>271,527</b>
<b>Income tax (benefit)/expense– deferred</b>	<b>52</b>	<b>(42,054)</b>	<b>40,635</b>	<b>(51,812)</b>	<b>76,081</b>
<b>Net profit (60 = 50 - 51 - 52) (carried forward to next page)</b>	<b>60</b>	<b>522,719</b>	<b>663,631</b>	<b>1,249,905</b>	<b>2,152,081</b>

*The accompanying notes are an integral part of these quarterly financial statements*



**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the nine-month period ended 30 Septembers 2013 (continued)**

**Group**

	Code	Proforma <sup>(1)</sup>			
		From 1/7/2013 to 30/9/2013 VND million	From 1/7/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
<b>Net profit (60 = 50 - 51 - 52)</b> <b>(brought forward from previous page)</b>	<b>60</b>	<b>522,719</b>	<b>663,631</b>	<b>1,249,905</b>	<b>2,152,081</b>
<b>Attributable to:</b>					
Minority interests	61	213,803	164,194	410,923	470,893
Equity holders of the Company	62	308,916	499,437	838,982	1,681,188
<b>Earnings per share</b>					
Basic earnings per share in VND	70	435	714	1,180	2,405

(1)

- a) Adding back the amortization of goodwill from the transfer of ownership in Techcombank for the nine-month period ended 30 September 2013 and 2012 and assuming Masan Group held a 30.44% interest in Techcombank from 1 January 2012.
- b) Adding back the amortization of goodwill and intangible assets from the acquisition of Vinacafe Bien Hoa JSC for the six-month period ended 30 September 2013 and 2012.
- c) Adding back the amortization of goodwill and purchase price allocation from the acquisition of Vietnamese French Cattle Feed Joint Stock Company for the nine-month period ended 30 September 2013.
- d) Adding back the amortization of goodwill from the acquisition of Vinh Hao Mineral Water Corporation for the nine-month period ended 30 September 2013.

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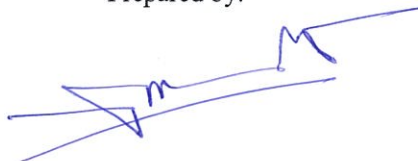
**Ma San Group Corporation and its subsidiaries**  
**Statements of income for the nine-month period ended 30 September 2013 (continued)**

**Form B 02 – DN**

**Company**

	Code	Note	From 1/7/2013 to 30/9/2013 VND million	From 1/7/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
<b>Total revenue</b>	<b>01</b>	<b>22</b>	-	-	-	-
<b>Less sales deductions</b>	<b>02</b>	<b>22</b>	-	-	-	-
<b>Net sales (10 = 01 – 02)</b>	<b>10</b>	<b>22</b>	-	-	-	-
<b>Cost of sales</b>	<b>11</b>	<b>22 3</b>	-	-	-	-
<b>Gross profit (20 = 10 – 11)</b>	<b>20</b>		-	-	-	-
Financial income	21	24	301,978	267,521	900,629	921,056
Financial expenses	22	25	468,243	362,317	1,207,691	979,083
General and administration expenses	25		57,789	168,229	169,566	188,674
<b>Net operating loss {30 = 20 + (21 - 22) - (24 + 25)}</b>	<b>30</b>		<b>(224,054)</b>	<b>(263,025)</b>	<b>(476,628)</b>	<b>(246,701)</b>
Other income	31	26	589	140,184	73,312	140,184
Other expenses	32	27	-	-	-	-
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>589</b>	<b>140,184</b>	<b>73,312</b>	<b>140,184</b>
<b>Loss before tax (50 = 30 + 40)</b>	<b>50</b>		<b>(223,465)</b>	<b>(122,841)</b>	<b>(403,316)</b>	<b>(106,517)</b>
<b>Income tax expense – current</b>	<b>51</b>		-	-	-	-
<b>Income tax expense – deferred</b>	<b>52</b>		-	-	-	-
<b>Net loss (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>(223,465)</b>	<b>(122,841)</b>	<b>(403,316)</b>	<b>(106,517)</b>

Prepared by:



Doan Thi My Duyen  
Chief Accountant

Approved by:



Nguyen Dang Quang  
Chairman

*Eric*

*The accompanying notes are an integral part of these quarterly financial statements*

**Ma San Group Corporation and its subsidiaries**  
**Statements of cash flows for the nine-month period ended 30 September 2013**

**Form B 03 – DN**

	Code	Note	<u>Group</u>		<u>Company</u>	
			From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Profit/(loss) before tax</b>	<b>01</b>		<b>1,074,001</b>	<b>1,944,454</b>	<b>(403,316)</b>	<b>(106,517)</b>
<b>Adjustments for</b>						
Depreciation and amortisation	02		373,206	248,667	22,297	11,504
Allowances and provisions	03		10,948	30,251	-	-
Net unrealised foreign exchange (gains)/losses	04		(8,595)	(215)	-	-
Loss on disposal of fixed assets and other long-term assets	05		7,386	2,820	-	-
Interest and facility income	05		(258,559)	(677,850)	(892,649)	(920,988)
Interest and facility expense	06		217,128	226,455	1,190,316	948,565
Share of loss/(profit) in associates	07		135,050	(82,502)	-	-
<b>Operating profit/(loss) before changes in working capital</b>	<b>08</b>		<b>1,550,565</b>	<b>1,692,080</b>	<b>(83,352)</b>	<b>(67,436)</b>
Change in receivables and other assets	09		(400,549)	(108,426)	(235,792)	(141,945)
Change in inventories	10		(610,355)	(413,438)	-	-
Change in payables and other liabilities	11		53,841	135,722	(21,538)	(64,148)
			<b>593,502</b>	<b>1,305,938</b>	<b>(340,682)</b>	<b>(273,529)</b>
Interest paid	13		(1,153,379)	(547,334)	(484,817)	(237,299)
Corporate income tax paid	14		(655,679)	(218,320)	-	-
Other payments for operating activities	16		(25,308)	(11,629)	-	-
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>(1,240,864)</b>	<b>528,655</b>	<b>(825,499)</b>	<b>(510,828)</b>

*The accompanying notes are an integral part of these quarterly financial statements*

**Ma San Group Corporation and its subsidiaries**

**Statements of cash flows for the nine-month period ended 30 September 2013 (continued)**

**Form B 03 – DN**

	Code	Note	<u>Group</u>	<u>Company</u>		
			From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Payments for additions to fixed assets and other long-term assets	21		(3,258,112)	(4,033,157)	(15,297)	(64,182)
Proceeds from disposals of fixed assets and other long-term assets	22		1,557	1,146	-	-
Loans provided to subsidiaries	23		-	-	(1,317,068)	-
Collection on loans provided to subsidiaries	23		-	-	930,000	2,000,000
Term deposit to banks	24		(34,443,235)	(14,745,416)	-	-
Term deposit received	24		35,314,235	13,664,916	68,000	-
Proceed from investments in bonds	24		-	373,000	-	373,000
Payments for investments in bonds	25		-	(48,000)	-	(48,000)
Acquisition of subsidiary, net of cash acquired	25		(429,139)	-	-	-
Payment for investments in subsidiary	26		(207,463)	-	(1,881,404)	-
Prepayment for investment in associate	26		-	(2,016,272)	-	(2,016,272)
Disposal a part of investment in a subsidiary	26		1,061,861	-	-	-
Receipts of interest and dividend	27		418,802	662,754	32,090	183,999
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(1,541,494)</b>	<b>(6,141,029)</b>	<b>(2,183,679)</b>	<b>428,545</b>

*The accompanying notes are an integral part of these quarterly financial statements*

**Ma San Group Corporation and its subsidiaries**

**Statements of cash flows for the nine-month period ended 30 September 2013 (continued)**

**Form B 03 – DN**

	Code	Note	Group		Company	
			From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million	From 1/1/2013 to 30/9/2013 VND million	From 1/1/2012 to 30/9/2012 VND million
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from issuance of new shares	31		178,608	411,000	178,608	411,000
Proceeds from minority interest capital contribution to subsidiaries	31		8,420,581	12,500	-	-
Proceeds from issuance of debt and equity instruments	31		-	2,707,640	-	2,707,640
Payments of repurchases equity instrument	32		(3,490,092)	(4,634,395)	(3,490,092)	(4,634,395)
Proceeds from short-term and long-term borrowings	33		3,223,529	7,203,226	6,610,000	2,200,000
Payment for transaction costs	33		(306,235)	(54,065)	(44,000)	(54,065)
Payments to settle debts to banks and other entities	34		(4,828,758)	(2,131,829)	-	-
Payments of dividends to minority interest by a subsidiary	36		(14,926)	(15,867)	-	-
Net cash flows from financing activities	40		3,182,707	3,498,210	3,254,516	630,180
Net cash flows during the period (50=20 + 30 + 40)	50		400,349	(2,114,164)	245,338	547,897
Cash and cash equivalents at the beginning of the period	60		5,718,717	9,573,593	2,160,026	1,510,736
Effect of exchange rate fluctuation on cash and cash equivalents	61		(3,773)	-	-	-
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)	70	3	6,115,293	7,459,429	2,405,364	2,058,633

*The accompanying notes are an integral part of these quarterly financial statements*

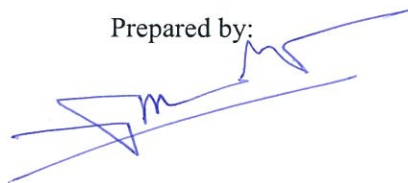
**Ma San Group Corporation and its subsidiaries**  
**Statements of cash flows for the nine-month period ended 30 September 2013 (continued)**

**Form B 03 – DN**

**NON-CASH INVESTING AND FINANCING ACTIVITIES**

	<u>Group</u>		<u>Company</u>	
	From	From	From	From
	1/1/2013 to	1/1/2012 to	1/1/2013 to	1/1/2012 to
	30/9/2013	30/9/2012	30/9/2013	30/9/2012
	VND	VND	VND	VND
	million	million	million	million
Proceeds from long-term borrowings deducted against payment to settle loan principals, interest expenses and related fees	2,616,426	-	-	-
Borrowing costs capitalised into construction in progress	865,827	-	-	-
Depreciation and amortisation capitalised into construction in progress	32,340	-	-	-
Issuance of new shares through conversion of borrowings	-	796,524	-	796,524
Issuance of new shares through conversion of other capital	-	6,358,643	-	6,358,643

Prepared by:



Doan Thi My Duyen  
Chief Accountant

Approved by:



Nguyen Dang Quang  
Chairman

*Eric*

*The accompanying notes are an integral part of these quarterly financial statements*

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013**

**Form B 09 – DN**

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

**1. Reporting entity**

Ma San Group Corporation (“the Company”) is a joint stock company incorporated in Vietnam. The principal activity of the Company is in investment holding.

The consolidated financial statements comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in an associate.

The principal activities of the subsidiaries are described as follows:

Name	Principal activity	Percentage of economic interests at	
		30/6/2013	31/12/2012
Hoa Bang Lang Consultant Company Limited	Investment holding	100%	100%
Orchid Consultant Company Limited	Investment holding	100%	100%
Gerbera Consultant Company Limited (*)	Investment holding	100%	100%
Dahlia Company Limited (*)	Investment holding	100%	100%
Ma San Consumer Corporation	Trading and distribution	77.4%	80.8%
Masan Food Company Limited	Food Trading	77.4%	80.8%
Ma San Industrial One Member Company Limited	Food sauce and instant noodle manufacturing	77.4%	80.8%
Viet Tien Food Technology One member Company Limited	Food sauce manufacturing	77.4%	80.8%
Ma San HD One member Company Limited	Food sauce and instant noodle manufacturing	77.4%	80.8%
Ma San PQ Corporation	Food sauce manufacturing	73.2%	76.4%
Minh Viet Packaging One Member Company Limited	Packaging	77.4%	80.8%
Masan Agri Corporation (formerly known as Hoa Muoi Gio Company Limited)	Investment holding	39.5%	80.8%

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

**Form B 09 – DN**

Name	Principal activity	Percentage of economic interests at	
		30/6/2013	31/12/2012
VinaCafe Bien Hoa Joint Stock Company	Beverage manufacturing	41.2%	43.0%
Vinh Hao Mineral Water Corporation (**)	Beverage manufacturing	49.2%	-
Ma San Horizon Corporation	Investment holding	100%	100%
Ma San Resources Corporation	Investment holding	63.4%	65%
Ma San Thai Nguyen Resources Company Limited	Investment holding	63.4%	65%
Thai Nguyen Trading and Investment Company Limited	Investment holding	63.4%	65%
Nui Phao Mining Company Limited	Exploring and processing mineral	63.4%	65%

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(\*) Gerbera Consultant Company Limited and Dahlia Company Limited are not owned by the Company but the Company has been assigned 100% of the voting rights and all economic benefits relating to the ownership in these companies. As such, the Company has control of these companies.

(\*\*) On 27 March 2013, a subsidiary of the Company, Ma San Consumer Corporation completed the acquisition of 5,144,460 shares of Vinh Hao Mineral Water Corporation (“Vinh Hao”), for a total consideration of VND438,370 million. The share acquisitions resulted in Ma San Consumer Corporation and the Group gaining 63.51% and 49.2% effective equity interest in Vinh Hao as at 30 September 2013, respectively.

All the subsidiaries are incorporated in Vietnam.

The percentage of economic interests represents the effective percentage of economic interests of the Group both directly and indirectly in the subsidiaries.



**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

**Form B 09 – DN**

**2. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Group and the Company in the preparation of these financial statements.

**(a) Basis of financial statement preparation**

**(i) *General basis of accounting***

The financial statements, expressed in Vietnam Dong rounded to the nearest million (“VND million”), have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements. These financial statements should be read in conjunction with the financial statements of the Group for the year ended 31 December 2012 and interim financial statements for the six-month period ended 30 June 2013.

The financial statements, except for the statements of cash flows, are prepared on the accrual basis using the historical cost concept. The statements of cash flows are prepared using the indirect method.

**(ii) *Basis of consolidation***

***Common-control business combination***

Business combination where the same group of shareholders (“the Controlling Shareholders”) control the combining companies before and after the business combination meets the definition of business combination under common control because there is a continuation of the risks and benefits to the Controlling Shareholders. Such common control business combination is specifically excluded from the scope of Vietnamese Accounting Standard 11 *Business Combination* and in selecting its accounting policy with respect to such transaction, the Group has considered Vietnamese Accounting Standard 01 *Framework* and Vietnamese Accounting Standard 21 *Presentation of Financial Statements*. Based on these standards, the Group has adopted the merger (“carry-over”) basis of accounting. The assets and liabilities of the combining companies are consolidated using the existing book values from the Controlling Shareholders’ perspective. Any difference between the cost of acquisition and net assets acquired is treated as a deemed distribution to or contribution from shareholders and recorded directly in equity.

The consolidated income statements, consolidated statements of changes in equity and consolidated cash flow statements include the results of operations of the combining companies as if the group structure had been in existence from the Controlling Shareholders’ perspective throughout the entire periods presented (or where the companies were incorporated at a date later than the beginning of the earliest period presented, for the period from the date of incorporation to the end of the relevant reporting periods).

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

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***Non-common control business combination***

Non-common control business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

Under the purchase method, the assets and liabilities of the acquired entity are consolidated using their fair values. Cost of acquisition consists of the aggregate fair value, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group. Goodwill represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, *liabilities* and contingent liabilities of the acquired entity. When the excess is negative, it is recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations included any costs directly attributable to the combination, such as professional fees paid to accountants, legal advisers, valuers and other consultants to effect the combination. Transaction costs are capitalised into the cost of business combination. General administrative costs and other costs that cannot be directly attributed to the particular *combination* being accounted for are not included in the cost of the combination; they are recognized as an expense when incurred.

**(iii) *Subsidiaries***

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

**(iv) *Associates (equity accounted investees)***

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for in the consolidated financial statements using the equity method (equity accounted investees) and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated amortisation on the goodwill. The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

**Form B 09 – DN**

**(v) *Minority interests***

For changes in the Group's ownership interest in a subsidiary that do not result in change in control, the difference between the cost of acquisition or proceeds on disposal of the interest and the proportionate carrying amount of net assets acquired or disposed at the date of exchange is recorded directly in equity.

**(vi) *Transactions eliminated on consolidation***

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

**(b) *Annual accounting period***

The annual accounting period of the Company is from 1 January to 31 December.

**(c) *Foreign currency transactions***

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the balance sheet date. Transactions in currencies other than VND during the year have been translated into VND at rates approximating those ruling at the transaction dates.

All foreign exchange differences are recorded in the statement of income, except when they relate to the construction of tangible fixed assets or the translation of foreign currency monetary items during pre-operating stage, in which case they are recorded in the Foreign Exchange Difference Account in equity until the entity commences operations and the tangible fixed assets are put into use. Once the entity commences operations and the tangible fixed assets are put into use, the related realised foreign exchange differences are transferred to the statement of income, unrealised foreign exchange gains are transferred to the Unearned Revenue Account and unrealised foreign exchange losses are transferred to the Long-term Prepayment Account. The unrealised gains and losses are then amortised on a straight line basis over five years.

**(d) *Cash and cash equivalents***

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amount of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

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**(e) Investments**

Investments in term deposits and debt instruments; investments in equity instruments of entities over which the Group has no control or significant influence in the consolidated financial statements; and investments in all equity instruments in the separate financial statements are stated at cost. Allowance is made for reductions in investment values which in the opinion of the management are not temporary. The allowance is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

**(f) Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts.

**(g) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

The Group apply the perpetual method of accounting for inventory.

**(h) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure have resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure are capitalised as an additional cost of tangible fixed assets.

For the nine-month period ended 30 September 2013, the Company and the Group apply Circular No. 45/2013/TT-BTC ("Circular 45") dated 25 April 2013 issued by the Ministry of Finance providing guidance on management, use and depreciation of fixed assets in enterprises. Accordingly, the Company and the Group reclassified net book value of tangible fixed assets which are no longer qualified as fixed assets under Circular 45 (i.e cost greater than VND10 million and smaller than VND30 million) to short-term and long-term prepayment and amortise them over a period of not more than 3 years from the reclassification date.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

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**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5-25 years
▪ leasehold improvements	3-5 years
▪ office equipment	3-6 years
▪ machinery and equipment	3-12 years
▪ motor vehicles	3-6 years

**(i) Intangible fixed assets**

**(i) Land use rights**

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use right. Amortisation is computed on a straight-line basis over their useful lives ranging from 40 to 47 years.

**(ii) Software**

Cost of acquisition of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software is amortised on a straight-line basis over four and five years.

**(iii) Brand name**

Cost of acquisition of brand name is capitalised and treated as an intangible asset.

The fair value of brand name acquired in a business combination is based on the discounted estimated royalty payments that have been avoided as a result of the brand name being owned. The fair value of brand name acquired in a business combination is recognised as an intangible asset and is amortised on a straight-line basis ranging from 10 to 20 years.

**(iv) Customer relationships**

Customer relationships that are acquired by the Group on the acquisition of subsidiary is capitalised and presented as an intangible asset. The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject assets are valued after deducting a fair return on all other assets that are part of creating the related cash flows. The fair value of customer relationship is amortised on a straight line basis over five years.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

**Form B 09 – DN**

**(v) *Mineral water resources***

Mineral water resources that are acquired by the Group on the acquisition of subsidiary is capitalised and presented as an intangible asset. The fair value of mineral water resources acquired in a business combination is determined using the direct comparison method. The direct comparison approach estimates the value of mineral resources by comparing recent asking/transacted price of similar interests located in a similar area. The fair value of mineral water resources are amortised on a straight line basis over 10 years.

For the nine-month period ended 30 September 2013, the Company and the Group apply Circular No. 45/2013/TT-BTC (“Circular 45”) dated 25 April 2013 issued by the Ministry of Finance providing guidance on management, use and depreciation of fixed assets in enterprises. Accordingly, the Company and the Group reclassified net book value of intangible fixed assets which are no longer qualified as fixed assets under Circular 45 (i.e cost greater than VND10 million and smaller than VND30 million) to short-term and long-term prepayment and amortise them over a period of not more than 3 years from the reclassification date.

**(j) *Construction in progress***

Construction in progress represents the cost of construction and machinery which have not been fully completed or installed and mineral assets under development. No depreciation is provided for construction in progress during the period of construction and installation.

Mineral assets under development comprise mineral reserve and related development costs acquired in a business combination and subsequent development expenditure. These assets qualify for capitalisation when the mineral reserve to which they relate is proven to be commercially and technically viable. They are initially recognised at their fair values as part of business combination accounting and subsequent development expenditures are capitalised net of proceeds from the sale of ore extracted during the development phase. On completion of development, defined as the time when saleable materials begin to be extracted from the mine, all assets are reclassified to tangible fixed assets.

**(k) *Long-term prepayments***

**(i) *Pre-operating expenses***

Pre-operating expenses are recorded in the statement of income, except for establishment costs and expenditures on training, advertising and promotional activities incurred from the incorporation date to the commercial operation date. These expenses are recognised as long-term prepayments, initially stated at cost, and are amortised on a straight line basis over three years starting from the date of commercial operation.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

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**(ii) *Prepaid land costs***

Prepaid land costs comprise prepaid land lease rentals and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the statement of income on a straight-line basis over the term of the lease from 47 to 50 years.

**(iii) *Tools and supplies and printing axles***

Tools and supplies and printing axles are stated at cost and amortised over their useful lives ranging from six months to two years.

**(iv) *Borrowing fees***

Loan origination costs are incurred in conjunction with the arrangement of long-term borrowings and are amortised on a straight-line basis over the tenure of the borrowings.

**(v) *Website fees***

Website fees are stated at cost and amortised over their useful lives of three years.

**(l) *Goodwill***

Goodwill arises on acquisition of subsidiaries and associate in non-common control acquisition.

Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. Goodwill is amortised on a straight-line basis over ten years. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying value of the investment.

**(m) *Trade and other payables***

Trade and other payables are stated at their cost.

**(n) *Provisions***

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**(o) *Taxation***

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

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Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(p) Equity**

**(i) *Share capital and capital surplus***

Ordinary share capital is classified as equity. The excess of proceeds contributed over the par value of shares issued is recorded as capital surplus. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from capital surplus.

**(ii) *Other capital***

Agreements to issue a fixed number of shares in the future are recognised based on their fair values at the dates of the agreements under other capital if there are no other settlement alternatives.

**(iii) *Other reserves***

Equity movements resulting from common-control business combination and acquisition of/disposal to minority interests and the excess arising on redemption of other capital over the carrying amount are recorded in other reserves in equity.

**(q) Revenue**

Revenue from the sale of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

**(r) Financial income and financial expenses**

**(i) *Financial income***

Financial income comprises interest income from deposits and loans, and foreign exchange gains. Interest income is recognised as it accrues in the statement of income.



**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

**Form B 09 – DN**

**(ii) Financial expenses**

Financial expenses comprise interest expenses on borrowings and foreign exchange losses. Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of tangible fixed assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the fixed assets concerned.

**(s) Earnings per share**

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

**(t) Related parties**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

**3. Cash and cash equivalents**

	<u>Group</u>		<u>Company</u>	
	<b>30/9/2013</b>	<b>31/12/2012</b>	<b>30/9/2013</b>	<b>31/12/2012</b>
	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>
Cash on hand	1,763	4,652	494	2,797
Cash in bank	345,622	146,553	29,688	6,687
Cash in transit	1,000	-	-	-
Cash equivalents	5,766,908	5,567,512	2,375,182	2,150,542
	<b>6,115,293</b>	<b>5,718,717</b>	<b>2,405,364</b>	<b>2,160,026</b>

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

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**4. Accounts receivable**

Other receivables comprised:

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
<b>Other short-term receivables</b>				
Non-trade receivables from related companies	142,244	206,244	1,516,677	224,902
Accrued interest receivable from:	9,601	82,686	578	2,902
VAT portion of foreign contractor tax	7,086	24,257	7,086	7,345
Services receivable	30,483	23,257	30,483	23,257
Others	107,112	10,079	70,577	-
	296,526	346,523	1,625,401	258,406
<b>Other long-term receivables</b>				
Long-term interest receivables	-	23,158	-	-
Other long-term receivables	401,764	-	-	-
Other long-term receivables from related companies	-	-	1,627,293	1,658,406
	401,764	23,158	1,627,293	1,658,406

Other receivables include the following amounts due from related parties:

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
<b>Amounts due from Ma San Corporation - parent company</b>				
Non-trade – short-term	142,244	142,244	142,244	142,244
<b>Dividend receivable from Proconco –short-term</b>	-	64,000	-	-
<b>Amounts due from other related companies</b>				
Non-trade – short-term	-	-	1,374,433	82,658
Non-trade – long-term	-	-	1,627,293	1,658,406

The non-trade amounts due from Ma San Corporation were unsecured, interest free and receivable in accordance with contract terms.

**Ma San Group Corporation and its subsidiaries**  
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As at 30 September 2013, the short-term non-trade receivables due from other related companies of the Company comprised of:

- a) Facility fees of 15% per annum amounting to VND770,807 million on unsecured loan facilities amounting to USD108 million made available to the subsidiary which have not been drawn down. The facility fees are payable in 2014;
- b) An unsecured funding agreement between the Company and a subsidiary for a principal amount of VND487,500 million. The loan is interest free and will be repayable on the maturity date in 2014; and
- c) The remaining VND116,126 million of short-term non-trade receivables due from related companies were unsecured, interest-free and receivable in accordance with contract terms.

At 30 September 2013, the non-trade long-term amounts due from other related companies of the Company were unsecured and receivable in accordance with contract terms, and consist of:

- a) Facility fees of 4.25% to 12% per annum amounting to VND914,443 million on unsecured loan facilities amounting to USD110 million and VND2,200 billion made available to the subsidiaries which have not been drawn down. The facility fees are payable in 2015 and 2016;
- b) VND311,086 million relates to interest receivables, which is due in 2019, accrued on a VND2,000 billion loan extended to a subsidiary in 2011 which has been repaid in year 2012; and
- c) VND401,764 million relates to principal and interest receivables, which is due in 2016.

Movement of allowance for doubtful debts during the period was as follows:

	<b>Group</b>	
	<b>From</b>	<b>From</b>
	<b>1/1/2013 to</b>	<b>1/1/2012 to</b>
	<b>30/9/2013</b>	<b>30/9/2012</b>
	<b>VND million</b>	<b>VND million</b>
Opening balance	378	1,084
Increase in allowance during the period	557	87
Allowance utilised during the period	-	(785)
Allowance written back during the period	-	(17)
Closing balance	935	369

**Ma San Group Corporation and its subsidiaries**  
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**5. Inventories**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
Goods in transit	8,712	15,349	-	-
Raw materials	474,876	396,321	-	-
Tools and supplies	310,350	26,794	-	-
Work in progress	64,540	88,448	-	-
Finished goods	372,679	48,934	-	-
	1,231,157	575,846	-	-
Allowance for inventories	(13,056)	(11,991)	-	-
	1,218,101	563,855	-	-

Movements in the allowance for inventories during the period were as follows:

	<u>Group</u>	
	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012
	VND million	VND million
Opening balance	11,991	12,901
Increase in allowance during the period	15,335	36,259
Allowance utilised during the period	(9,326)	(17,415)
Allowance written back during the period	(4,944)	(6,078)
Closing balance	13,056	25,667

**Ma San Group Corporation and its subsidiaries**  
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**6. Tangible fixed assets**

**Group**

	<b>Buildings and structures VND million</b>	<b>Leasehold improvements VND million</b>	<b>Office equipment VND million</b>	<b>Machinery and equipment VND million</b>	<b>Motor vehicles VND million</b>	<b>Total VND million</b>
<b>Cost</b>						
Opening balance	453,709	22,525	69,412	1,454,828	39,954	2,040,428
Addition on business acquisition	37,523	-	320	39,941	8,465	86,249
Additions	600	744	5,331	17,056	5,431	29,162
Transfers from construction in progress	106,337	71,111	13,043	122,644	1,300	314,435
Transfers to short-term prepayments	(37)	(93)	(6,672)	(2,065)	(1,278)	(10,145)
Transfers to long- term prepayments	(703)	-	(12,980)	(11,012)	(476)	(25,171)
Disposals	-	-	(451)	(28,519)	(195)	(29,165)
Closing balance	597,429	94,287	68,003	1,592,873	53,201	2,405,793
<b>Accumulated depreciation</b>						
Opening balance	53,957	11,661	26,792	382,084	18,623	493,117
Charge for the period	23,589	12,939	13,409	149,472	5,567	204,976
Transfers to short-term prepayments	(35)	-	(3,276)	(1,875)	(583)	(5,769)
Transfers to long- term prepayments	(609)	-	(7,267)	(7,383)	(246)	(15,505)
Disposals	-	-	(396)	(19,682)	(144)	(20,222)
Closing balance	76,902	24,600	29,262	502,616	23,217	656,597
<b>Net book value</b>						
Opening balance	399,752	10,864	42,620	1,072,744	21,331	1,547,311
Closing balance	520,527	69,687	38,741	1,090,257	29,984	1,749,196

Included in the cost of tangible fixed assets were assets costing VND111,465 million which were fully depreciated as of 30 September 2013 (31/12/2012: VND71,270 million), but which are still in active use.

**Ma San Group Corporation and its subsidiaries**  
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The carrying amount of tangible fixed assets retired from active use and held for disposal amounted to VND428 million as of 30 September 2013 (31/12/2012: VND921 million).

The carrying amount of temporarily idle equipment in tangible fixed assets amounted to VND50,941 million as of 30 September 2013 (31/12/2012: VND59,440 million).

As at 30 September 2013, tangible fixed assets with a carrying value of VND670,941 million (31/12/2012: VND613,304 million) were pledged with banks as security for loans granted to the Group.

**Company**

	<b>Leasehold improvements VND million</b>	<b>Office equipment VND million</b>	<b>Total VND million</b>
<b>Cost</b>			
Opening balance	15,083	2,615	17,698
Additions	584	794	1,378
Transfers from construction in progress	71,111	3,733	74,844
Transfer to short-term prepayment	-	(437)	(437)
Transfer to long -term prepayment	-	(918)	(918)
Closing balance	86,778	5,787	92,565
<b>Accumulated depreciation</b>			
Opening balance	4,988	1,003	5,991
Depreciation for the period	12,603	1,748	14,351
Transfer to short-term prepayment	-	(311)	(311)
Transfer to long -term prepayment	-	(335)	(335)
Closing balance	17,591	2,105	19,696
<b>Net book value</b>			
Opening balance	10,095	1,612	11,707
Closing balance	69,187	3,682	72,869

**Ma San Group Corporation and its subsidiaries**  
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**7. Intangible fixed assets**

<u>Group</u>	<b>Land use rights VND million</b>	<b>Software VND million</b>	<b>Brand name VND million</b>	<b>Customer relationships VND million</b>	<b>Mineral resources VND million</b>	<b>Total VND million</b>
<b>Cost</b>						
Opening balance	144,357	19,344	544,435	320,647	-	1,028,783
Additions on business acquisition	11,948	306	158,431	54,468	26,036	251,189
Additions	2,246	5,820	-	-	-	8,066
Transfer from construction in progress	-	15,097	-	-	-	15,097
Transfer to long term prepayment	(11)	(556)	-	-	-	(567)
Closing balance	158,540	40,011	702,866	375,115	26,036	1,302,568
<b>Accumulated amortisation</b>						
Opening balance	15,920	10,601	63,927	74,819	-	165,267
Amortisation for the period	3,238	5,122	46,155	50,890	1,736	107,141
Transfer to long term prepayment	-	(92)	-	-	-	(92)
Closing balance	19,158	15,631	110,082	125,709	1,736	272,316
<b>Net book value</b>						
Opening balance	128,437	8,743	480,508	245,828	-	863,516
Closing balance	139,382	24,380	592,784	249,406	24,300	1,030,252

Included in the cost of intangible fixed assets were assets costing VND2,251 million which were fully depreciated as of 30 September 2013 (31/12/2012: VND1,931 million), but which are still in active use.

At 30 September 2013, land use rights with a carrying value of VND51,529 million (31/12/2012: VND53,659 million) were pledged with banks as security for loans granted to the subsidiaries.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
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**Company**

	<b>Software VND million</b>
<b>Cost</b>	
Opening balance	1,566
Additions	81
Transfers from construction in progress	2,161
Transfer to long term prepayment	(18)
	<hr/>
Closing balance	3,790
	<hr/>
<b>Accumulated amortisation</b>	
Opening balance	464
Charge for the period	475
Transfers to long term prepayment	(4)
	<hr/>
Closing balance	935
	<hr/>
<b>Net book value</b>	
Opening balance	1,102
Closing balance	2,855
	<hr/>

**8. Construction in progress**

	<b><u>Group</u></b>		<b><u>Company</u></b>	
	<b>From 1/1/2013 to 30/9/2013 VND million</b>	<b>From 1/1/2012 to 30/9/2012 VND million</b>	<b>From 1/1/2013 to 30/9/2013 VND million</b>	<b>From 1/1/2012 to 30/9/2012 VND million</b>
Opening balance	15,317,924	9,425,067	71,628	3,568
Acquisition on business combination	215	-	-	-
Additions during the period	4,109,483	3,936,695	13,397	63,473
Transfer to tangible fixed assets	(314,435)	(504,862)	(74,844)	-
Transfer to intangible fixed assets	(15,097)	(1,905)	(2,161)	-
Transfer to long-term prepayments	(6,036)	(6,722)	(41)	-
Transfer to short-term prepayments	(3,138)	-	(573)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Closing balance	19,088,916	12,848,273	7,406	67,041
	<hr/>	<hr/>	<hr/>	<hr/>



**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
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During the period, borrowing costs capitalised into construction in progress amounted to VND865,827 million (nine-month period ended 30 September 2012: VND766,099 million).

**9. Investments**

	<u>Group</u>		<u>Company</u>	
	<b>30/9/2013</b>	<b>31/12/2012</b>	<b>30/9/2013</b>	<b>31/12/2012</b>
	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>
<b>Long-term investments</b>				
Investments in subsidiaries (a)	-	-	14,372,038	12,490,634
Investment in an associates (b)	10,815,598	10,948,119	8,932,424	8,932,424
Other long-term investments (c)	3,600	365,500	-	-
	<b>10,819,198</b>	<b>11,313,619</b>	<b>23,304,462</b>	<b>21,423,058</b>
<b>Short-term investments</b>				
Term deposits to banks (d)	1,335,000	1,840,500	-	68,000
	<b>1,335,000</b>	<b>1,840,500</b>	<b>-</b>	<b>68,000</b>

Details of the Company's investments in subsidiaries are as follows:

	<b>30/9/2013</b>	<b>31/12/2012</b>
	<b>VND million</b>	<b>VND million</b>
Ma San Consumer Corporation	10,540,924	10,333,461
Hoa Bang Lang Consultant Company Limited	516,600	516,600
Orchid Consultant Company Limited	441,200	441,200
Ma San Horizon Corporation	2,873,314	1,199,373
	<b>14,372,038</b>	<b>12,490,634</b>

**(a) Investments in subsidiaries**

In January 2013, the Company acquired additional stake in Ma San Consumer Corporation for a total cash consideration of VND207 billion.

**(b) Investment in associates**

Investments in associates represent investments in 30.44% (31/12/2012: 30.44%) and 15.8% (31/12/2012: 32.32%) of the effective economic interest in Vietnam Technological and Commercial Joint Stock Bank ("Techcombank") and Vietnamese French Cattle Feed Joint Stock Company ("Proconco") as of 30 September 2013, respectively for the Group.

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
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**(c) Other long-term investments**

Details of the other long-term investments are as follows:

	<b>Group</b>	
	<b>30/9/2013</b>	<b>31/12/2012</b>
	<b>VND million</b>	<b>VND million</b>
Term deposits at banks	-	365,500
Investment in Vinh Hao Seaweed Corporation	3,600	-
	<hr/>	<hr/>
	3,600	365,500
	<hr/>	<hr/>

Investment in Vinh Hao Seaweed Corporation is an investment by Vinh Hao Mineral Water Corporation of 1,200,000 shares in Vinh Hao Seaweed Corporation representing 14.75% of the equity interests in Vinh Hao Seaweed Corporation.

**(d) Short-term investments**

Term deposits in banks represent deposits with original terms to maturity of more than three months and less than 12 months from their transaction dates. The term deposits are denominated in Vietnam Dong and earned interest 6% - 6.8% per annum (31/12/2012: 8%).

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
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**10. Long-term prepayments**

**Group**

	<b>Pre- operating expenses VND million</b>	<b>Prepaid land costs VND million</b>	<b>Printing axes VND million</b>	<b>Tools and supplies VND million</b>	<b>Borrowing fees VND Million</b>	<b>Website fees VND million</b>	<b>Total VND million</b>
Opening balance	56,796	2,286	755	15,877	21,210	136	97,060
Acquisition on business combination	-	-	-	6,061	-	-	6,061
Additions	-	-	2,532	7,251	306,235	-	316,018
Transfer from construction in progress	-	-	-	6,036	-	-	6,036
Transfer from tangible fixed assets	-	-	-	9,666	-	-	9,666
Transfer from intangible fixed assets	-	-	-	475	-	-	475
Amortisation for the period	-	(45)	(2,474)	(14,316)	(14,047)	(136)	(31,018)
Transfers to short term prepayment	-	-	-	(4,618)	-	-	(4,618)
Disposals	-	-	(73)	(270)	-	-	(343)
Closing balance	56,796	2,241	740	26,162	313,398	-	399,337

**Company**

	<b>Borrowing fees VND million</b>	<b>Website fees VND million</b>	<b>Others VND million</b>	<b>Total VND million</b>
Opening balance	21,210	136	-	21,346
Additions	44,000	-	441	44,441
Transfer from construction in progress	-	-	41	41
Transfer from tangible assets	-	-	583	583
Transfer from intangible assets	-	-	14	14
Amortisation for the period	(6,854)	(136)	(481)	(7,471)
Closing balance	58,356	-	598	58,954

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**11. Deferred tax assets and liabilities**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
<b>Deferred tax assets:</b>				
Accrued sales discount	5,878	9,133	-	-
Accrued advertising and promotion expenses	35,982	14,193	-	-
Accrued transportation costs	16,658	6,677	-	-
Other accruals	7,381	4,041	-	-
Unrealised profit	23,646	1,991	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	89,545	36,035	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Deferred tax liabilities:</b>				
Construction in progress	(751,021)	(751,021)	-	-
Tangible fixed assets	(13,753)	(11,330)	-	-
Intangible fixed assets	(138,159)	(97,766)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	(902,933)	(860,117)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	(813,388)	(824,082)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

**12. Goodwill**

	<u>Group</u>
	VND million
<b>Cost</b>	
Opening balance	284,728
Addition	236,217
	<hr/>
Closing balance	520,945
	<hr/>
<b>Accumulated amortisation</b>	
Opening balance	36,096
Amortisation for the period	34,706
	<hr/>
Closing balance	70,802
	<hr/>
<b>Net book value</b>	
Opening balance	248,632
Closing balance	450,143
	<hr/>

**Ma San Group Corporation and its subsidiaries**  
**Notes to the quarterly financial statements for the nine-month period ended**  
**30 September 2013 (continued)**

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**13. Short-term borrowings and liabilities**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
Short-term borrowings	1,927,853	1,540,393	-	-
Current portion of long-term borrowings (Note 17)	2,485,545	252,991	2,311,300	-
	4,413,398	1,793,384	2,311,300	-

Terms and conditions of outstanding short-term borrowings were as follows:

	<u>Currency</u>	<u>Group</u>		<u>Company</u>	
		30/9/2013	31/12/2012	30/9/2013	31/12/2012
		VND million	VND million	VND million	VND million
Bank borrowings:					
VND denominated	VND	1,085,053	1,540,393	-	-
USD denominated	USD	842,800	-	-	-
		1,927,853	1,540,393	-	-

**14. Taxes payable to State Treasury**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
Corporate income tax	406,138	535,785	-	-
Value added tax	28,637	39,626	-	-
Import-export tax	7,454	11,446	-	-
Personal income tax	21,919	14,126	-	-
Other taxes	10,957	7,910	200	-
	475,105	608,893	200	-

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**15. Accrued expenses**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
Accrued interest payable	204,423	549,848	137,171	415,560
Accrual for construction work	56,797	195,070	-	-
Advertising and promotion expenses	235,854	139,125	-	-
Consultant fee	65,915	127,954	12,970	38,074
Bonus and 13 <sup>th</sup> month salary	134,921	98,624	-	-
Sales discount	29,291	41,188	-	-
Transportation expenses	76,164	30,615	-	-
Accrued withholding tax	8,595	31,183	3,489	10,013
Accruals for inventories purchased	52,903	28,139	-	-
Others	146,686	59,185	11,726	7,828
	1,011,549	1,300,931	165,356	471,475

**16. Other payables**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
<b>Other short-term payables</b>				
Social and health insurance	3,905	226	-	-
Short-term deposits from customers	-	480	-	-
Other short-term payables to a subsidiary	-	-	770,901	-
Others	85,942	43,624	-	-
	89,847	44,330	770,901	-
<b>Other long-term payables</b>				
Other long-term payables to a subsidiary	-	-	1,493,955	1,432,596
Long-term payables	41,394	381,563	27,076	381,563
Obligation to issue shares	191,094	356,269	60,561	356,269
	232,488	737,832	1,581,592	2,170,428

**Ma San Group Corporation and its subsidiaries**  
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**17. Long-term borrowings and liabilities**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
Long-term borrowings (a)	8,047,656	6,667,882	8,410,000	4,000,000
Promissory notes	2,855,764	2,855,764	-	-
Convertible bonds and loans	1,176,522	1,176,522	1,176,522	1,176,522
Secured bonds	4,400,000	2,200,000	4,400,000	2,200,000
	16,479,942	12,900,168	13,986,522	7,376,522
Repayable within twelve months (Note 13)	(2,485,545)	(252,991)	(2,311,300)	-
Repayable after twelve months	13,994,397	12,647,177	11,675,222	7,376,522

**a. Long-term borrowings**

	<u>Group</u>		<u>Company</u>	
	30/9/2013	31/12/2012	30/9/2013	31/12/2012
	VND million	VND million	VND million	VND million
Bank borrowings:				
▪ VND denominated	2,341,570	2,397,355	-	-
▪ USD denominated	5,706,086	4,270,527	-	-
Loan from a subsidiary	-	-	8,410,000	4,000,000
	8,047,656	6,667,882	8,410,000	4,000,000

Loan from a subsidiary is unsecured, bore interest of 10.5%-15% per annum and payable in accordance with contract terms.

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**18. Provision for severance allowance**

Movements of provision for severance allowance during the period were as follows:

	<b>Group</b>	
	<b>From 1/1/2013 to 30/9/2013 VND million</b>	<b>From 1/1/2012 to 30/9/2012 VND million</b>
Opening balance	1,807	8,564
Provision made during the period	-	732
Provision used during the period	-	(692)
Transfer to other income	(426)	-
Closing balance	1,381	8,604

Under the Vietnamese Labour Code, when employees who have worked for 12 months or more (“eligible employees”) voluntarily terminates their labour contracts, the employer is required to pay the eligible employees severance allowance calculated based on years of service and employees’ compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their current salary level.

Pursuant to Law on Social Insurance, effective from 1 January 2009, the Group and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of the employees’ basic salary and 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Group is no longer required to provide severance allowance for the service period after 1 January 2009. However, severance allowance to be paid to existing eligible employees as of 31 December 2008 will be determined based on the eligible employees’ years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.



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**19. Changes in owners' equity**

**Group**

	Share Capital VND million	Capital surplus VND million	Other capital VND million	Foreign exchange differences VND million	Other reserves VND million	Retained profits VND million	Equity attributable to equity holders of Company VND million	Minority interests VND million	Total VND million
<b>Balance at 1 January 2012</b>	5,152,723	2,166,136	10,462,804	(16,066)	(6,569,981)	4,680,036	15,875,652	5,679,380	21,555,032
Issuance of new shares through conversion of equity instruments	964,638	5,394,006	(6,358,644)	-	-	-	-	-	-
Issuance of new shares due to conversion of debt instruments	344,440	439,025	-	-	-	-	783,465	-	783,465
Issuance of new shares for cash	411,000	-	-	-	-	-	411,000	-	411,000
Issuance of equity instruments	-	-	1,721,824	-	-	-	1,721,824	-	1,721,824
Increase in minority interest from share capital issued by subsidiaries	-	-	-	-	(22,447)	-	(22,447)	34,947	12,500
Equity instruments repurchased	-	-	(4,104,160)	-	(530,235)	-	(4,634,395)	-	(4,634,395)
Foreign exchange differences in a subsidiary	-	-	-	2,501	-	-	2,501	1,351	3,852
Net profit for the period	-	-	-	-	-	1,166,032	1,166,032	438,687	1,604,719
Dividend paid	-	-	-	-	-	-	-	(15,867)	(15,867)
Transfer to funds	-	-	-	-	-	(10,916)	(10,916)	(10,701)	(21,617)
<b>Balance at 30 September 2012</b>	<b>6,872,801</b>	<b>7,999,167</b>	<b>1,721,824</b>	<b>(13,565)</b>	<b>(7,122,663)</b>	<b>5,835,152</b>	<b>15,292,716</b>	<b>6,127,797</b>	<b>21,420,513</b>

**Ma San Group Corporation and its subsidiaries**

**Notes to the quarterly financial statements for the nine-month period ended 30 September 2012 (continued)**

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**Group**

	Share Capital VND million	Capital Surplus VND million	Other capital VND million	Foreign exchange differences VND million	Other Reserves VND million	Retained profits VND million	Equity attributable to equity holders of Company VND million	Minority interests VND million	Total VND million
<b>Balance at 1 January 2013</b>	6,872,801	7,999,167	1,721,824	(16,128)	(8,619,479)	5,925,652	13,883,837	5,820,548	19,704,385
Issuance of new shares for cash	178,608	-	-	-	-	-	178,608	-	178,608
Increase in minority interest from share capital issued by subsidiaries	-	-	-	-	1,155,043	-	1,155,043	1,841,721	2,996,764
Increase in minority interest from disposal a part of investment in a subsidiary	-	-	-	-	44,664	-	44,664	1,017,197	1,061,861
Increase in minority interest from share capital from purchasing subsidiary	-	-	-	-	-	-	-	116,139	116,139
Decrease in minority interest from a subsidiaries' stake acquired	-	-	-	-	(159,430)	-	(159,430)	(48,033)	(207,463)
Equity instruments repurchased	-	-	(1,624,121)	-	(1,056,440)	-	(2,680,561)	-	(2,680,561)
Foreign exchange differences in a subsidiary	-	-	-	(26,581)	-	-	(26,581)	(12,663)	(39,244)
Net profit for the period	-	-	-	-	-	251,125	251,125	359,022	610,147
Dividend paid	-	-	-	-	-	-	-	(14,926)	(14,926)
Transfer to funds	-	-	-	-	-	(15,944)	(15,944)	(16,566)	(32,510)
<b>Balance at 30 September 2013</b>	<b>7,051,409</b>	<b>7,999,167</b>	<b>97,703</b>	<b>(42,709)</b>	<b>(8,635,642)</b>	<b>6,160,833</b>	<b>12,630,761</b>	<b>9,062,439</b>	<b>21,693,200</b>

**Ma San Group Corporation and its subsidiaries**

**Notes to the quarterly financial statements for the nine-month period ended 30 September 2012 (continued)**

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**Company:**

	Share capital VND million	Capital Surplus VND million	Other capital VND million	Other reserves VND million	Accumulated losses VND million	Total VND million
<b>Balance at 1 January 2012</b>	5,152,723	2,166,136	10,462,804	-	(22,449)	17,759,214
Issuance of new shares through conversion of equity instruments	964,638	5,394,006	(6,358,644)	-	-	-
Issuance of new shares due to conversion of debt instruments	344,440	439,025	-	-	-	783,465
Issuance of new shares for cash	411,000	-	-	-	-	411,000
Issuance of equity instruments	-	-	1,721,824	-	-	1,721,824
Equity instruments repurchased	-	-	(4,104,160)	(530,235)	-	(4,634,395)
Net profit for the period	-	-	-	-	(106,517)	(106,517)
<b>Balance at 30 September 2012</b>	6,872,801	7,999,167	1,721,824	(530,235)	(128,966)	15,934,591
<b>Balance at 1 January 2013</b>	6,872,801	7,999,167	1,721,824	(530,235)	(242,703)	15,820,854
Issuance of new shares for cash	178,608	-	-	-	-	178,608
Equity instruments repurchased	-	-	(1,624,121)	(1,056,440)	-	(2,680,561)
Net loss for the period	-	-	-	-	(403,316)	(403,316)
<b>Balance at 30 September 2013</b>	7,051,409	7,999,167	97,703	(1,586,675)	(646,019)	12,915,585

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## **20. Share capital and capital surplus**

The Company's authorised and issued share capital comprise:

	<b>30/9/2013</b>		<b>31/12/2012</b>	
	<b>Number of shares</b>	<b>VND million</b>	<b>Number of shares</b>	<b>VND million</b>
<b>Authorised share capital</b>	705,140,873	7,051,409	687,280,123	6,872,801
<b>Issued share capital</b>				
Ordinary shares	705,140,873	7,051,409	687,280,123	6,872,801
<b>Capital surplus</b>	-	7,999,167	-	7,999,167

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

Capital surplus represents the excess of the proceeds on issuance of shares over the par value.

Movements in issued share capital during the period/year were as follows:

	<b>From 1/1/2013 to 30/9/2013</b>		<b>From 1/1/2012 to 31/12/2012</b>	
	<b>Number of shares</b>	<b>VND million</b>	<b>Number of shares</b>	<b>VND million</b>
Balance at beginning of the period/year	687,280,123	6,872,801	515,272,269	5,152,723
Issuance of new shares due to conversion of equity instruments	-	-	96,463,766	964,638
Issuance of new shares due to conversion of debt instruments	-	-	34,444,088	344,440
Issuance of new shares for cash	17,860,750	178,608	41,100,000	411,000
Balance at the end of the period/year	705,140,873	7,051,409	687,280,123	6,872,801

## **21. Other capital**

Other capital represents the fair value of the Company's fixed number of shares to be issued at a future date.

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## **22. Total revenue**

Total revenue represents the gross invoiced value of goods sold and services rendered exclusive of value added tax.

Net sales comprised:

	<u><b>Group</b></u>		<u><b>Company</b></u>	
	<b>From</b>	<b>From</b>	<b>From</b>	<b>From</b>
	<b>1/1/2013 to</b>	<b>1/1/2012 to</b>	<b>1/1/2013 to</b>	<b>1/1/2012 to</b>
	<b>30/9/2013</b>	<b>30/9/2012</b>	<b>30/9/2013</b>	<b>30/9/2012</b>
	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>
Total revenue				
▪ Sales of finished goods	7,624,016	6,865,258	-	-
▪ Services and other sales	4,957	-	-	-
Less sales deductions				
▪ Sales discounts	(105,412)	(108,033)	-	-
▪ Sales returns and allowances	(18,468)	(22,221)	-	-
Net sales	7,505,093	6,735,004	-	-

## **23. Cost of sales**

	<u><b>Group</b></u>		<u><b>Company</b></u>	
	<b>From</b>	<b>From</b>	<b>From</b>	<b>From</b>
	<b>1/1/2013 to</b>	<b>1/1/2012 to</b>	<b>1/1/2013 to</b>	<b>1/1/2012 to</b>
	<b>30/9/2013</b>	<b>30/9/2012</b>	<b>30/9/2013</b>	<b>30/9/2012</b>
	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>	<b>VND million</b>
Total cost of sales				
▪ Finished goods sold	4,481,684	4,023,081	-	-
▪ Allowance for inventories	10,391	30,181	-	-
	4,492,075	4,053,262	-	-

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**24. Financial income**

	<u>Group</u>		<u>Company</u>	
	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012
	VND million	VND million	VND million	VND million
Interest income from:				
▪ Deposits	258,559	649,326	27,524	185,587
▪ Investment in bonds	-	28,524	-	28,524
▪ Loan to subsidiaries	-	-	72,382	164,400
Facility income from subsidiaries	-	-	792,743	542,477
Foreign exchange gains	60,239	4,724	7,980	68
Others	668	2,106	-	-
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	319,466	684,680	900,629	921,056
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**25. Financial expenses**

	<u>Group</u>		<u>Company</u>	
	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012
	VND million	VND million	VND million	VND million
Interest expenses payable to:				
• Banks	110,171	111,870	-	-
• Bondholders	106,957	114,585	358,211	287,315
• Subsidiary	-	-	591,486	416,950
Facility fee expenses to subsidiaries	-	-	240,619	251,578
Foreign exchange losses	33,109	2,395	77	2,271
Other financial expenses	28,611	22,977	17,298	20,969
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	278,848	251,827	1,207,691	979,083
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**Ma San Group Corporation and its subsidiaries**  
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**26. Other income**

	<u>Group</u>		<u>Company</u>	
	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012
	VND million	VND million	VND million	VND million
Reimbursement of cost from parent company	-	140,184	-	140,184
Proceeds on disposal of fixed assets	1,557	1,146	-	-
Income from scrap sales	49,684	16,340	-	-
Others	95,905	26,303	73,312	-
	147,146	183,973	73,312	140,184

**27. Other expenses**

	<u>Group</u>		<u>Company</u>	
	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012
	VND million	VND million	VND million	VND million
Net book value of disposed fixed assets	8,944	3,966	-	-
Cost of scrap sales	46,503	12,232	-	-
Others	3,726	11,893	-	-
	59,173	28,091	-	-

**28. Share of (loss)/profit in associates**

	<u>Group</u>		<u>Company</u>	
	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012	From 1/1/2013 to 30/9/2013	From 1/1/2012 to 30/9/2012
	VND million	VND million	VND million	VND million
Share of profit in associates	367,167	514,717	-	-
Adjustment arising from purchase price allocation and goodwill amortisation	(502,217)	(432,215)	-	-
	(135,050)	82,502	-	-

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**29. Earnings per share**

The calculation of basic earnings per share at 30 September 2013 was based on the profit attributable to ordinary shareholders of VND251,125 million (nine-month period ended 30 September 2012: VND1,166,032 million) of the Group and a weighted average number of ordinary shares outstanding of 710,801,203 shares during the period (nine-month period ended 30 September 2012: 699,040,982 shares), calculated as follows:

**(i) Net profit attributable to ordinary shareholders**

	<b>From 1/1/2013 to 30/9/2013 VND million</b>	<b>From 1/1/2012 to 30/9/2012 VND million</b>
Net profit attributable to ordinary shareholders	251,125	1,166,032

**(ii) Weighted average number of ordinary shares**

	<b>From 1/1/2013 to 30/9/2013</b>	<b>From 1/1/2012 to 30/9/2012</b>
Issued ordinary shares at the beginning of the period	687,280,123	515,272,269
Effect of shares issued for cash	12,070,727	17,550,000
Effect of shares issued to discharge convertible bonds and loans	-	11,816,585
Effect of shares issued to discharge other capital	-	96,463,766
Effect of equity instruments bought back	-	24,313,661
Effect of share issued solely after the passage of time	11,450,353	33,624,701
Weighted average number of ordinary shares at the end of the period	710,801,203	699,040,982



**Ma San Group Corporation and its subsidiaries**  
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**30. Significant transactions with related parties**

In addition to related party balances and transactions disclosed in other notes to these financial statements, the Group has the following transactions with related parties during the period:

**Group:**

<b>Related Party</b>	<b>Nature of transaction</b>	<b>From 1/1/2013 to 30/9/2013 VND million</b>	<b>From 1/1/2012 to 30/9/2012 VND million</b>
<b>Parent Company</b>			
Ma San Corporation	Expenses shared by parent company	-	140,184
<b>Other related parties</b>			
Masan Global Services Corporation	Maintenance fee	-	6,539
Masan Property Corporation	Service charge expense and advance Prepayment for construction	- -	11,077 750
<b>Key management personnel</b>	Remuneration to key management personnel (*)	35,944	25,811

(\*) No board fees were paid to Board of Management members in the nine-month periods ended 30/9/2013 and 30/9/2012.

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**Company:**

<b>Related Party</b>	<b>Nature of transaction</b>	<b>From 1/1/2013 to 30/9/2013 VND million</b>	<b>From 1/1/2012 to 30/9/2012 VND million</b>
<b>Parent Company</b>			
Ma San Corporation	Expenses shared by parent company	-	140,184
<b>Subsidiaries</b>			
Ma San Consumer Corporation	Loan received from subsidiary	4,410,000	-
	Interest expense on loan	591,486	416,950
	Facility fee expense	240,619	251,578
Ma San Horizon Corporation	Capital contributed to a subsidiary	1,673,941	-
Ma San Resources Corporation	Interest income from loans provided to a subsidiary	57,686	146,503
	Facility fee income	302,631	251,578
	Loan provided to a subsidiary	930,000	-
	Loan collected from a subsidiary	930,000	2,000,000
Nui Phao Mining Company Limited	Facility fee income	490,112	290,899
Orchid Consultant Company Limited	Loans provided to a subsidiary	387,068	-
	Interest income from loans provided to a subsidiary	14,696	-
<b>Key management personnel</b>	Remuneration to key management personnel (*)	5,986	4,431

(\*) No board fees were paid to Board of Management members in the nine-month periods ended 30/9/2013 and 30/9/2012.

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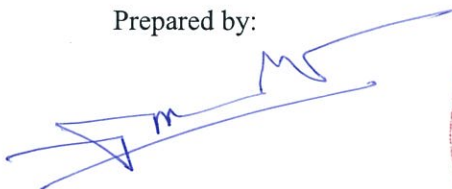
**31. Explanation of the net profit movement**

The Group net profit after tax in 3Q2013 is VND309 billion compared with net profit after tax VND481 billion in last corresponding period, down 36%:

- Share of profit in associates declined due to a fall in Techcombank's profits (on account of challenging operating conditions for the banking sector) and higher amortization of goodwill (on account of acquisition of stake in Proconco).
- Net financial income was lower, with lower interest rates.
- Selling expenses, general and administration expenses in Masan Consumer Corporation were higher due to brand-building initiatives.

The Company net profit after tax in 3Q2013 is a loss of VND223 billion compared with a loss of VND123 billion in last corresponding period due to a decrease in net financial income.

Prepared by:



Doan Thi My Duyen  
*Chief Accountant*

Approved by:



Nguyen Dang Quang  
*Chairman*

*Eric*